



1600 9th Street, Sacramento, CA 95814
(916) 654-2378

April 14, 2004

To: PROSPECTIVE BIDDERS

You are invited to submit a bid to the California Department of Mental Health for IFB Number 04-74073-000, titled:

DEPARTMENT OF MENTAL HEALTH
PREADMISSION SCREENING AND RESIDENT REVIEW/MENTAL ILLNESS
(PASRR/MI) LEVEL II EVALUATION PROCESS
FOR FISCAL YEARS 2004-05, 2005-06, 2006-07

Note that all agreements entered into with the State of California will include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at Internet site: <http://www.documents.dgs.ca.gov/ols/gtc%20103.doc>. If you do not have Internet access, a hard copy can be provided by contacting the persons listed below.

This Invitation For Bid (IFB) is being issued in accordance with the provisions of Public Contract Code, Section 10335, et seq.

If you are interested in submitting a bid, you will be expected to comply with the following requirements. **An original and six copies of the following documents must be submitted:**

1. Required Attachment Check List (Attachment I.1)
2. Bidder letters of reference, with the name, address and telephone number, of at least three (3) clients of large organizations for whom the bidder has performed technical and management assignments of a similar complexity to those required by this IFB. Letters of reference should describe the type and scope of work performed. It is preferable that at least one reference be a government or State contract.
3. Current resume for the proposed Contract Manager who meets qualifications listed in this IFB under Section III, D.2. Administrative Personnel, and two (2) letters of reference (including contact telephone numbers) describing capably performed administrative functions similar in range and complexity to those required in this IFB.
4. Current resume for the proposed Medical Director who meets qualifications listed in this IFB under Section III, D.2. Administrative Personnel, and two (2) letters of reference (including contact telephone numbers) describing performance of clinical and administrative functions similar in range and complexity to those required in this IFB.
5. Current resumes for the proposed Quality Assurance (QA) Directors who meet qualifications listed in Section III, D.2. Administrative Personnel, and two (2) letters of reference (including contact telephone numbers) describing performance of clinical and administrative functions similar in range and complexity to those required in this IFB.
6. Current resume for the proposed Assistant Contract Manager who meets qualifications listed in this IFB under Section III, D.2. Administrative Personnel, and

two (2) letters of reference (including contact telephone numbers) describing capably performed administrative functions similar in range and complexity to those required in this IFB.

7. Evaluators' letters of commitment (including hours available to perform evaluations, geographic service area(s) and names of counties to be covered), current license (verified), and current resumes reflecting a minimum of two years experience working directly with persons with severe mental illness for a minimum of ten proposed evaluators for the Project. Evaluators for each of the four regions shall be included, and at least three of the four eligible disciplines described in Section III, D.1.b. shall be represented. No more than five proposed evaluators shall be from one discipline. Neither the Medical nor the QA Directors shall be included as evaluators.
8. Attach the Small Business Preference Form (Attachment I.2) to this IFB package.

Keep item numbers 9-12 in a separate envelope from the rest of your proposal. This envelope will be opened after all proposals are reviewed for meeting the qualifications. The lowest qualified bidder, based on the new Level II requirements, will be awarded the contract.

9. Complete, sign and date the attached Bid Form (Attachment IV.1).
10. Complete the attached Budget Format for Fiscal Years 2004-05, 2005-06, and 2006-07 (Attachments IV.2).
11. Complete the attached Personnel and Operation Costs Budget for Fiscal Years 2004-05, 2005-06, and 2006-07 (Attachments IV.3).
12. Complete, sign and date the attached Bid/Bidder Certification Sheet (Attachment IV.4).

The above specified items, numbers 1 - 12, constitute your complete bid and must be submitted in a sealed envelope. The sealed envelope must be plainly marked with your organization's name and address, the above IFB number, and title (Preadmission Screening and Resident Review/Mental Illness (PASRR/MI) Level II Evaluation Process), and must be received by 3:00 PM on May 14, 2004. Mail or deliver to:

**Department of Mental Health
Contracts Office
1600 9th Street, Room 150
Sacramento, CA 95814**

If you have any questions concerning the program requirements, contact Stacie Kincaid, PASRR Section, at (916) 654-3245 or Wayne Rohrer, PASRR Section, at (916) 653-9597. If you have questions concerning the contract process, please contact Tami Harris, Contract Analyst, at (916) 651-8986.

Sincerely,

William A. Avritt
Deputy Director
Administrative Services

Enclosures

DEPARTMENT OF MENTAL HEALTH

IFB Number
04-74073-000

INVITATION FOR BID (IFB)

**PREADMISSION SCREENING AND
RESIDENT REVIEW FOR MENTAL ILLNESS
(PASRR/MI)
LEVEL II EVALUATION PROCESS**

FISCAL YEARS 2004-05, 2005-06, 2006-07



**STATE OF CALIFORNIA
DEPARTMENT OF MENTAL HEALTH
PROGRAM COMPLIANCE
April 14, 2004**

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- IV.3 - Personnel and Operational Costs Budget (Fiscal Years 2004-05, 2005-06, 2006-07)
- IV.4 - Bid/Bidder Certification Sheet

SECTION I
ADMINISTRATIVE REQUIREMENTS

A. TIME SCHEDULE

All bidders are hereby advised of the following schedule and will be expected to adhere to the specified performance requirements.

1. Invitation for Bid (IFB) package mailed to prospective bidders 4-14-2004
2. Deadline for submission of questions requiring a written response 4-26-2004
3. Bid package must be received no later than 3:00 PM 5-14-2004
4. Review program requirements 5-17-2004
5. Post intent to award notice 5-21-2004
6. Final day to file a protest 5-28-2004
7. Award of contract to successful bidder 6-1-2004
8. Contract start date, subject to Dept. of General Services approval 7-1-2004
9. Termination of contract 06-30-2007

B. CONTACTS BETWEEN BIDDERS AND STATE

Bidders may contact the Department of Mental Health (DMH) for additional information regarding this IFB by calling Stacie Kincaid at (916) 654-3245 or Wayne Rohrer at (916) 653-9597. Any questions, which, in the judgment of the Contracts Office materially alter this IFB requirements, must be in writing by the deadline specified in Section I, A.2, and answers will be provided to all bidders in writing.

C. SUBMISSION OF BIDS

An original and six copies of the following documents must be submitted:

1. Required Attachment Checklist.
2. Bidder letters of reference, with the name, address and telephone number, of at least three (3) clients of large organizations for whom the bidder has performed technical and management assignments of a similar complexity to those required by this IFB. Letters of reference should describe the type and scope of work performed. It is preferable that at least one reference be a government or State contract.

3. Current resume for the proposed Contract Manager (1 Full Time Equivalency [FTE]), who meets qualifications listed in Section III,D.2. Administrative Personnel, and two (2) letters of reference (including contact telephone numbers) describing capably performed administrative functions similar in range and complexity to those required in this IFB.
4. Current resume for the proposed Medical Director (1 FTE), who meets qualifications listed in Section III,D.2. Administrative Personnel, and two (2) letters of reference (including contact telephone numbers) describing performance of clinical and administrative functions similar in range and complexity to those required in this IFB.
5. Current resume for the proposed Quality Assurance (QA) Directors (3 FTE), who meet qualifications listed in Section III,D.2. Administrative Personnel, and two (2) letters of reference (including contact telephone numbers) describing performance of clinical and administrative functions similar in range and complexity to those required in this IFB.
6. Current resume for the proposed Assistant Contract Manager (1 FTE), who meets qualifications listed in this IFB under Section III,D.2. Administrative Personnel, and two (2) letters of reference (including contact telephone numbers) describing capably performed administrative functions similar in range and complexity to those required in this IFB.
7. Evaluators' letters of commitment (including hours available to perform evaluations, geographic service area(s) and names of counties to be covered), current license (verified), and current resumes reflecting a minimum of 2 years experience working directly with persons with severe mental illness for a minimum of ten (10) proposed evaluators for the Project. Evaluators for each of the four regions shall be included, and at least three of the four eligible disciplines described in Section III,D.1.b. shall be represented. No more than five proposed evaluators shall be from one discipline. Neither the Medical Director nor the QA Directors shall be included as evaluators.
8. Attach the Small Business Preference Form to this IFB package.

Keep item numbers 9-12 in a separate envelope from the rest of your proposal. This envelope will be opened at the public bid opening as indicated in Section I, F. The lowest qualified bidder, based on the new Level II, will be awarded the contract.

9. Complete, sign and date the attached Bid Form (Attachment IV.1).
10. Complete the attached Budget Format for Fiscal Years 2004-05, 2005-06, and 2006-07 (Attachment IV.2).
11. Complete the attached Personnel and Operation Costs Budget for Fiscal Years 2004-05, 2005-06, and 2006-07 (Attachment IV.3).

12. Complete, sign and date the attached Bid/Bidder Certification Sheet (Attachment IV.4).

The above specified items, Numbers 1 - 12, constitute your complete bid and must be submitted in a sealed envelope. The sealed envelope must be plainly marked with your organization's name and address, the above IFB number, and title (Preadmission Screening and Resident Review/Mental Illness (PASRR/MI Level II Evaluation Process), and must be received by 3:00 PM on May 14, 2004. Mail or deliver to:

**Department of Mental Health
Contracts Office
1600 9th Street, Room 150
Sacramento, CA 95814**

Bids and modifications or corrections thereof received after the closing time specified will not be considered.

ONLY BIDS SUBMITTED ON THE BID FORM FURNISHED BY THE DMH WILL BE CONSIDERED. The bid must be printed in ink or typewritten. No erasures permitted. Errors may be crossed out and corrections printed in ink or typewritten adjacent to the error and the correction must be initialed in ink by the person signing the bid.

A bid may be rejected if conditional, incomplete, or it contains any alterations of form or other irregularities of sufficient magnitude or quantity to warrant a finding of being substantially non-compliant.

The State may accept or reject any or all bids and may waive any immaterial defect in a bid. The State's waiver of an immaterial defect shall in no way modify the bid requirements or excuse the bidder from full compliance with the objective if awarded the contract.

D. REJECTION/DISQUALIFICATION

The following shall cause the immediate rejection or disqualification of a bid:

1. Any bid not received at the place and prior to the time specified in this IFB.
2. Any bid not plainly marked with the name and address of the submitting organization/individual and the IFB number, and title when such omission results in either a premature or delayed opening of the bid and potentially compromises the integrity of the competitive process.
3. Failure to use and sign the "Bid Form" provided by the State.
4. Substantial noncompliance with IFB requirements.
5. Substantial non-responsiveness to programmatic requirements.

6. Any bid received from a CONTRACTOR who has had a contract canceled by the State due to negative performance.

E. DEFINITIONS

An immaterial defect is a flaw, incompleteness, defect or condition in a bid which is not of the type to warrant disqualification of the bid. If the bid is found to contain a substantial number of such defects, the State may declare the bid to be substantially non-compliant and reject it.

F. CONTRACT AWARD PROCESS

At 4:00 PM on May 21, 2004, in the DMH Contracts Unit, 1600 9th Street, Conference Room 150B, Sacramento, CA all bids shall be publicly opened and the dollar amount read.

A small business preference of five (5) percent is granted to businesses that have an approved certification form (OSMB 11) on file with the Department of General Services, Office of Small Business and Disabled Veteran Business Enterprise Certification (OSDC) by 5:00 p.m. on the date bids are due, or submit a copy of OSDC certification with your bid.

The preference is an amount equal to five (5) percent of the lowest responsible bid, if such low bid has been submitted by a bidder who is not certified as a small business. If, after deduction of the five (5) percent preference from a small business bidder's bid, it is equal to or less than the lowest bid, the bid shall be awarded to the small business. In no event shall the cost of the small business preference exceed the sum of \$50,000 for any bid.

Subsequent to the opening of bids, a copy of all bids will be available for public inspection in the Contracts Office, DMH, 1600 9th Street, Room 150, Sacramento, CA.

The contract shall be awarded to the lowest responsible bidder meeting the specifications. The lowest responsible bidder meeting the specifications is one who:

1. Has complied with all bidding requirements.
2. If a corporation, is qualified to do business in and has an office in California.
3. If a past CONTRACTOR with the State, has satisfactorily fulfilled all contract requirements.

Prior to actual award of the contract, a Notice of Intent to Award will be posted in the Employee Safety and Support Services Office, DMH 1600 9th Street, Room 101, Sacramento, CA for a period of five (5) working days.

G. PROTEST PROCEDURES

1. If, prior to the award, any bidder files a protest with the DMH and Department of General Services against the awarding of the contract on the grounds that he or she is the lowest responsible bidder meeting the specifications for the contract, the contract shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter. (Public Contract Code Section 10343.)
2. Protests must be received at each of the addresses stated below not later than five (5) working days after the "Notice of Intent to Award" has been posted.

**Department of Mental Health
Contracts Office
1600 9th Street, Room 150
Sacramento, CA 95814**

**Department of General Services
Office of Legal Services
1325 J Street, Suite 1911
Sacramento, CA 95814**

3. Within five (5) calendar days after filing the protest, the protesting bidder must file with the DMH and Department of General Services a full and complete written statement specifying the grounds for the protest. Certified or registered mail must be used.

SECTION II GENERAL OVERVIEW

This IFB is offered to enable the State mental health authority, the DMH, to meet the requirements of Public Law 100-203, the Nursing Home Reform Act (NHRA), included in the Omnibus Budget Reconciliation Act of 1987 (OBRA-87), and to implement what was known initially as the Preadmission Screening and Annual Resident Review for Mental Illness program. In October 1996, Public Law 104-315 repealed the Annual Resident Review portion of the PASRR requirement. In its place the statute requires states to perform a Resident Review (RR) for a significant change in an individual's physical or mental condition when noticed by the facility through a new PASRR Level I screening document.

This document presents background information related to the PASRR/MI Level II evaluation process, and identifies various administrative and programmatic elements and requirements needed for the successful performance of this contract.

A. PURPOSE OF THIS IFB

The purpose of this IFB is to invite public and private organizations to submit a bid, as well as documentation, demonstrating the ability to administer/manage the performance of PASRR/MI Level II evaluations for all seriously mentally ill residents being admitted to or residing in approximately 1,500 Medicaid-certified Nursing Facilities (NFs), which includes Skilled Nursing Facilities (SNFs), Intermediate Care Facilities (ICFs) and Special Treatment Programs (STPs) statewide.

This IFB covers services to be performed during FYs 2004-05, 2005-06, and 2006-07 (July 1, 2004 through June 30, 2007). It is estimated that approximately 12,000 to 13,230 Preadmission Screening (PAS) and Resident Review (RR) (change of status) Level II referrals will be sent to the selected organization each FY. These Level II referrals result in the CONTRACTOR performing the following types of Level II evaluations:

1. **COMPLETE:** A Complete Level II evaluation that includes performing a complete physical examination.
2. **PARTIAL:** A Partial Level II evaluation that does not require performing a complete physical examination because the resident had a physical examination in the 90 days prior to the Level II evaluation.
3. **SUSPEND:** A Level II evaluation is suspended when the evaluator has made an appointment and has traveled to the NF to evaluate the resident, but the resident is unavailable or unable to participate in the evaluation.
4. **ATTEMPT:** A Level II referral that cannot be scheduled for reasons beyond the control of the CONTRACTOR.

B. BACKGROUND

In 1987, the NHRA (OBRA-87), effective January 1989, proposed sweeping changes in NF care across the country. The PASRR/MI evaluation is one of the requirements of OBRA-87. PASRR final rules and regulations were published in the Federal Register, November 1992. As a result of these mandates, all states implemented procedures to determine whether individuals admitted to or residents of Medicaid-certified NFs suffer from a serious mental illness; and, if so, to determine whether the new admission or resident requires NF and/or specialized (acute psychiatric treatment) services or less-than-specialized mental health services for treatment of a mental disability.

Federal regulations mandate that the PASRR/MI Level II evaluation be performed by a third party entity. The State has contracted with a public or private organization to perform the Level II evaluations since 1989.

C. DESCRIPTION OF THE PASRR EVALUATION PROCESS

The purpose of the PASRR/MI Level II evaluation is to assess and gather data on individuals in Hospital/NFs who are suspected of or diagnosed as seriously mentally ill. The psychiatric, psychosocial and physical examination becomes the basis on which the DMH will make mental health treatment and level of care decisions. The goal of this evaluation is to assure appropriate placement of individuals identified as seriously mentally ill and those who require specialized services.

The PASRR evaluation process consists of two parts, Level I and II.

1. Level I: The Level I screening is initially conducted as required by DHS, by staff at the sending facility or hospital, the treating physician, or the NF staff on admission. The Level I is required for all individuals admitted or seeking admission to Medicaid-certified NFs. This screening is a requirement of the DHS Treatment Authorization Request (TAR) process for Long-Term Care facilities.

Individuals identified in the Level I screening as suspected of or diagnosed as seriously mentally ill are referred to the DMH for the PASRR/MI Level II evaluation.

2. Level II: The PASRR/MI Level II evaluation consists of an in-depth psychosocial, psychiatric, and physical evaluation of the individual.

The objectives of the Level II evaluation are:

- a. Determine the individual's need for specialized services (SS).
- b. Confirm the presence of serious mental illness.
- c. Determine the individual's need for NF level of care.
- d. Assess the potential for the individual's placement in a less restrictive placement or a community setting.
- e. Determine the individual's need for less-than-specialized mental health services.

A new PASRR/MI Level II evaluation has been developed. It expands the individual's participation, eliciting responses on goals, wishes for community placement, past difficulties and weaknesses, including medication and behavior problems, as well as strengths and community supports. The plan is to implement the new Level II during FY 2004-05. However, the implementation of the new Level II is contingent on approval of funding as part of the State budget process. There will be 12 hours of training required, covering implementation of the new Level II and a new Alternatives to NF Placement Recommendations Section.

On receipt of the Level I (DHS 6170), the DMH reviews the document for completeness and clinical appropriateness before sending it electronically to the CONTRACTOR for a Level II evaluation. The Level II referral is assigned a unique DMH number, and pertinent data from the Level I form is electronically transmitted to the CONTRACTOR. The DMH has developed computer software specifically for this project to ensure the security, integrity and backup of all PASRR/MI data transmitted between the DMH and the CONTRACTOR.

There are three types of Level II evaluations for which the PASRR/MI Level II Evaluation Document (Attachment III.6), shall be completed by the CONTRACTOR:

- a. PAS, an evaluation performed for an individual prior to or on admission to an NF.
- b. RR, an evaluation performed when an NF resident experiences a significant change in a physical or mental condition.
- c. Emergency Review (ER), an evaluation performed when an NF resident's mental condition is critical and requires an urgent evaluation, as determined by DMH and the NF.

Following the receipt of the Level II referral from the DMH, the CONTRACTOR shall:

- a. Verify, by contacting the NF, the resident currently resides in the facility, needs an interpreter, is able to participate in the evaluation and other information pertinent to the completion of an accurate and comprehensive evaluation.
- b. Assign the case to an appropriately trained, DMH-approved evaluator to perform a Level II evaluation at the NF site for each referral received from the DMH.
- c. Transmit evaluator's Level II findings to the CONTRACTOR's office to undergo a clinical certification/QA process.
- d. Carefully review each completed evaluation for quality, completeness, accuracy, and clinical consistency.
- e. Key enter, verify and transmit the certified Level II results to the DMH.

Certifications by the CONTRACTOR's Medical and QA Directors serve to assure that the individual's Level II evaluation is accurate, complete, and clinically consistent. Each completed evaluation must meet the stated timeframe and specified QI requirements as indicated in this IFB (page 35).

On receipt of the Level II, the DMH clinical staff review the Level II data and make the final mental health treatment and placement recommendations. The DMH provides written notification letters with recommendations to the resident, the facility, DHS Medi-Cal Field Office, and the attending physician. The DMH sends copies of the letter for forwarding by the NF to the Conservator and the county Mental Health Plan, also.

MEDICAID FAIR HEARING PROCESS

Final PASRR regulations incorporate a Medicaid fair hearing for residents. The Department of Social Services will conduct the hearing. The DMH has implemented an informal process to respond to issues raised by and on behalf of the resident, known as the Resident Request for Review (RRR) process.

Should a Medicaid fair hearing become necessary, it is the CONTRACTOR's responsibility to secure any case records and/or supporting documentation needed by the DMH from the appropriate NF within forty-eight (48) hours of a DMH request.

SECTION III

PROGRAM SERVICE REQUIREMENTS

This section comprises the Program Service Requirements for which a bid and documentation of capability to perform is to be submitted by the bidder. The CONTRACTOR shall comply fully with all requirements as outlined below.

A. WORK PERFORMANCE REQUIREMENTS

- 1. Number of Referrals/Evaluations:** The CONTRACTOR shall have the capacity to perform 12,000 to 13,230 Level II referrals/evaluations per FY, statewide, for FYs 2004-05, 2005-06, and 2006-07.

The DMH does not guarantee a specified number of evaluations. The DMH retains the right to refer PASRR/MI Level II evaluations in a manner that ensures all evaluations are completed, while preventing potential contract overruns. Based on a review of past experience, approximately 50 percent of referrals are PAS and 50 percent are RR due to a change of status.

On a day-to-day basis, the DMH cannot accurately determine or guarantee the number of referrals that are received by the DMH and referred to the CONTRACTOR. The average referral rate for the past year has been approximately 200-250 referrals per week, referred to the CONTRACTOR once a week.

- 2. DMH Identification Number:** Each referral is given a unique DMH number that provides anonymity and identifies a specific resident and episode. The Level II, when returned to the DMH as a completed evaluation, and the monthly invoice report, shall reflect this number. This identifying number is the basis on which reimbursement is made.
- 3. NF Visit:** The CONTRACTOR shall complete the Level II evaluation in the following manner:
 - a. If a Complete Level II evaluation is to be performed (a physical has not been completed in the last 90 days) the psychiatric and physical health examination portions may be completed in two visits within seven days when a non-MD has performed the Level II and a DMH-approved MD is performing the physical health portion.
 - b. The evaluator shall call at least 24 hours in advance to the facility to schedule an appointment to evaluate the resident, verify the resident will be available for the evaluation and is physically and mentally capable of participating in the evaluation.
 - c. The evaluator shall schedule appointments between 7:00 AM and 7:00 PM to minimize disruption to the resident and the facility.

- d. The evaluator shall wear and display a DMH-approved identification badge at all times while in the facility, and when asked, be prepared to explain the purpose of the visit and the Level II evaluation process to the resident, all NF personnel, and to others involved with the resident's care and treatment.
 - e. The evaluator shall perform a complete, face-to-face mental status examination and all other required aspects of the Level II evaluation with each resident.
 - f. The evaluator shall behave professionally and courteously at all times while conducting PASRR evaluations.
4. **Evaluation Capacity:** The CONTRACTOR shall have the capacity to perform an average of 1,110 Level II evaluations per month throughout the state in any residential or health facility, e.g., board and care facility, acute health facility, and approximately 1,500 NFs, which includes NFs providing skilled nursing, ICFs and STPs within the State of California. The number of monthly Level II evaluations is subject to change based on a number of factors including, but not limited to, State budget approval, extended start-up delays during which Level I referrals received by DMH have not been referred to the CONTRACTOR and a backlog has been created, and higher numbers of Level I referrals are received by mail and fax from NFs, ICFs and STPs.
5. **Level II Document:** The CONTRACTOR shall use the PASRR/MI Level II Evaluation Document (Attachment III.6 - either hard copy or computer version), to record the findings of the PASRR/MI Level II evaluation. If a computer version is utilized by the evaluator, the CONTRACTOR will produce a hard copy, have it signed and dated by the evaluator, the Medical Director, and a QA Director. The CONTRACTOR shall store all completed PASRR/MI Level II Evaluations for a period of no less than seven years for possible DMH use.
6. **Confidentiality:** The CONTRACTOR shall insure the confidentiality of all resident information. California mental health statutes place particular emphasis on the protection of confidentiality. As a general rule, all information about a client or resident is confidential and may be released only with client or resident authorization. If a resident is conserved, or placed by a county Mental Health Plan, Welfare and Institutions Code Section 5328 applies. When a client or resident is voluntary, the Confidentiality of Medical Information Act, at Civil Code Section 56 would apply. In addition, the Health Insurance Portability and Accountability Act (HIPAA) contains specific privacy protections that are mandated. HIPAA privacy legislation and its resulting regulations are designed to enhance the protections afforded by many existing state laws. Stronger state laws and other federal laws continue to apply. The standards for covered entities apply whether individuals are privately insured, uninsured or covered under public programs such as Medicare or Medicaid.

7. **Evaluation Categories:** The CONTRACTOR shall complete all required items on the PASRR/MI LEVEL II for each category of the Level II evaluation as noted below and as explained in the CONTRACTOR's Manual.
- a. **COMPLETE:** A Complete Level II evaluation that includes performing a complete physical examination. All items on the PASRR/MI LEVEL II must be completed.
 - b. **PARTIAL:** A Partial Level II evaluation that does not require performing a complete physical examination because the resident had a physical examination within 90 days prior to the Level II. The physical health portion of the evaluation may be recorded from information found in the resident's chart. All items on the PASRR/MI LEVEL II must be completed.
 - c. **SUSPEND:** A Level II evaluation is suspended when the evaluator has made an appointment and traveled to the NF to evaluate the resident, but the resident is unavailable or unable to participate in the evaluation. The DMH will designate, in the Contractor Operations Manual, which items on the PASRR/MI LEVEL II must be completed, depending on the reason for the suspension.
 - d. **ATTEMPT:** Attempted PASRR Level II referrals are those that are referred by the DMH but cannot be scheduled for reasons beyond the control of the CONTRACTOR. The DMH will designate, in the Contractor Operations Manual, which items on the PASRR/MI LEVEL II must be completed when a PASRR Level II evaluation cannot be scheduled.
8. **Timeframes:** The CONTRACTOR shall meet specified completion timeframes to receive full reimbursement for negotiated evaluation costs (see Bid and Budget Section IV). The CONTRACTOR will be allowed the following timeframes to receive, assign, schedule, perform, certify, key enter, verify and transmit the Level II evaluation to the DMH. The timeframes are calculated from the date of receipt of the Level II referral from the DMH.
- a. **PAS Level II evaluations** (COMPLETE, PARTIAL, SUSPEND and ATTEMPT) must be completed and transmitted to the DMH within **seven calendar days (excluding holidays)**.
 - b. **RR change of status Level II evaluations** (COMPLETE, PARTIAL, SUSPEND and ATTEMPT) must be completed and transmitted to the DMH within **ten (10) calendar days (excluding holidays)**.

- c. **ER Level II evaluations** (COMPLETE and PARTIAL) must meet the following timeframes from receipt of the referral: 1) Complete the evaluation and **FAX the hard copy of the Level II evaluation to DMH within 24 hours**, and 2) **transmit Level II evaluation data electronically within three (3) calendar days (excluding holidays)**.
- d. **Specialized Services (SS) recommendations for PAS, RR, and ER Level II evaluations** represent those cases wherein the evaluator has recommended acute psychiatric treatment for residents who, as a result of a serious mental disorder, cannot be properly treated at the NF level of care. In these cases the CONTRACTOR shall comply with the following procedures and timeframes:
Within 24 hours of such recommendation by the evaluator:
- (i) The evaluator must immediately contact and alert the CONTRACTOR's office of the finding and fax/send a hard copy of the Level II form.
 - (ii) The CONTRACTOR Medical Director and QA Director must review and certify the completed Level II evaluation. If the Medical Director and QA Director agree that the referral constitutes an SS case, the CONTRACTOR must notify DMH by telephone and fax a copy of the completed evaluation to DMH. In case of disagreement between the evaluator and the Medical Director or the QA Director, additional clinical or medical input may be obtained by the DMH in order to make a final determination.

Within 72 hours, or three calendar days of the SS recommendation, the CONTRACTOR must then key enter, verify and electronically transmit the SS evaluation to the DMH.

B. PASRR LEVEL II PROCESS

PRE-EVALUATION

The CONTRACTOR shall perform the following prior to performance of the Level II evaluation:

1. **NF Contact and Scheduling Appointments:** Contact the NF to confirm residency, to confirm if the resident has any special communication needs including, but not limited to, the need for an interpreter, the need for special hearing devices, the need for special communication devices, the need for other persons to be present (e.g., family member or conservator), to confirm if the resident's mental and/or physical condition might in any way preclude him/her from participating in the Level II evaluation, and to gather other pertinent information related to scheduling the performance of the Level II evaluation (e.g., the date of the last physical examination).

2. **Evaluator Schedule of Appointment and Verification of Resident Status:** At least 24 hours prior to the NF visit, the evaluator must contact the facility to schedule an appointment, and to verify that the resident will be available for the evaluation and is physically and mentally capable of participating in the Level II evaluation.
3. **Effective Resident Communication:** The CONTRACTOR is responsible for assuring the evaluation is performed in a manner that meets the language and/or means of communication of the resident and maintains resident confidentiality. If an interpreter is needed, the CONTRACTOR shall arrange for the service if there is not one available within the facility. The interpreter shall not be another resident. The CONTRACTOR shall utilize interpreters in the following order of preference: (a) an evaluator proficient in the resident's preferred language or method of communication; (b) a NF staff member or a professional interpreter proficient in the resident's preferred language or method of communication; (c) a family member proficient in the resident's preferred language or method of communication.
4. **Evaluator Identification:** While engaged in PASRR activities the evaluator shall wear and display at all times a DMH-issued identification badge. At any and all times, the PASRR evaluator shall be prepared to explain who he/she is, the purpose of the visit and the Level II evaluation process to the resident, all NF personnel, and to other persons involved with the resident's care and treatment.
5. **Time Frames:** Record the time of arrival and the time of departure from the NF on the PASRR/MI LEVEL II.

PASRR/MI LEVEL II EVALUATION REQUIREMENTS

6. **Source of Information:** The Level II evaluation shall include, but not be limited to, the following sources of information:
 - a. **Medical Records:** The evaluator shall review the resident's medical records including the Resident Assessment (RA), Minimum Data Set (MDS), physicians' and nurses' notes, and other pertinent documents, such as records from prior treatment facilities.
 - b. **Direct Observation and Communication with the Resident:** The mental status examination shall be current, and the Level II evaluation must reflect that the evaluator had direct contact and interaction with the resident during the evaluation. Should the evaluator wish to include mental/cognitive status information outside that gained through direct communication and observation, the evaluator may do so in other parts of the Level II evaluation, but must note the source(s) of such information on the PASRR/MI LEVEL II in the Comments Section (Item #85, Attachment III.6).

- c. **Collateral Contacts:** The evaluator may receive information from the NF staff, and may, with documentation of the permission of the resident or the conservator, if one has been appointed by the court, contact the family as necessary for a complete, individually descriptive Level II evaluation. In the process of certification, the Medical or QA Directors may contact the resident's conservator, family member (if resident or conservator permission has been obtained), NF staff and/or county Mental Health Plan (MHP) case manager, as necessary to certify completion of an accurate, individually descriptive, Level II evaluation.

7. PASRR/MI Level II Evaluation Document. The CONTRACTOR shall utilize the PASRR/MI LEVEL II (Attachment III.6) to document the evaluation and include all of the following elements:

- a. **Psychosocial Assessment:** The Psychosocial assessment shall include, but is not limited to:
 - (i) Individual's goals,
 - (ii) Individual's report of performance of basic living skills.
- b. **Psychiatric History:** A complete psychiatric history including, but is not limited to:
 - (i) Presenting problems,
 - (ii) Date of onset of mental disorder,
 - (iii) Previous psychiatric hospitalizations,
 - (iv) Previous and current psychiatric medications,
 - (v) Response to current psychiatric medications.
- c. **Physical Health History and Skilled Nursing Needs:** The physical health history and skilled nursing needs must include, but is not limited to:
 - (i) The resident's current physical health problems,
 - (ii) Required skilled nursing procedures,
 - (iv) Required physical health aids and ambulation.
- d. **Physical Examination:** A complete physical examination, including a neurological assessment, is required for all residents as a part of their Level II evaluation. However, if a resident has had a physical examination within the last 90 days prior to the Level II, this information may be taken from the resident's chart by any DMH-approved evaluator. This is known as a Partial Level II evaluation as stated in Section III, A.7.b. If the necessary information to complete the Level II is not in the chart or the resident has had a recent physical problem, this information must be gathered from a face-to-face physical examination of the resident, by a physician.

- e. **Current Mental Status Exam and Current Cognitive Status:** A complete and current mental status examination noting the resident's appearance, thought process, thought content, emotional status and cognitive status.
- f. **Current Placement Potential:** The current placement potential must include, but is not limited to:
 - (i) Family, friends, and/or community support systems,
 - (ii) Personal care activities,
 - (iii) Consideration of barriers (e.g., behavioral) to community placement.
- g. **Diagnosis:** A current and complete multi-axial psychiatric diagnosis utilizing the DSM IV TR.
- h. **Recommended Level of Care:** The recommended level of care must include but is not limited to:
 - (i) Assessment of the current rehabilitation potential of the resident, and recommendations regarding needed psychiatric rehabilitation activities and mental health services,
 - (ii) Assessment of the need for NF placement, with careful consideration of the potential or emergent need for increased psychiatric care (specialized services) or a less restrictive, community placement.
- i. **Placement Alternatives:** Assess potential for alternatives in the community that include but are not limited to:
 - (i) Private Residence,
 - (ii) Group Residence,
 - (iii) Specialty Mental Health Services to enhance community placement,
 - (iv) Medical Health Services to enhance community placement
 - (v) Community Support Services to enhance community placement,
 - (vi) Home and Community-based Waiver Programs (for persons who meet NF Level of Care).
- j. **Evaluation Information and Certification:** The evaluation information and certification should include the following:
 - (i) **Documentation of Level II Completion:** The evaluator shall document the performance and completion of the PASRR/MI Level II evaluation on DHS 6170 (Attachment III.4) or, if unable to locate, on DMH 1773 (Attachment III.7).
 - (ii) **Level II Evaluator Signature:** The completion of the Level II PASRR/MI evaluation, including evaluation start and end time, shall be signed by the evaluator, noting title (clinical licensure) and date.

- (iii) **Physical History and Examination Certification:** The physical history, examination and information pertinent to it shall be reviewed and certified by the Medical Director or other DMH-approved physician in the absence of the Medical Director.
- (iv) **Overall Level II Certification:** Following review of the information pertinent to the individual, and modifying the evaluation, if necessary, for completeness and accuracy, a QA Director shall sign the certification, noting clinical licensure and date.

C. ADMINISTRATIVE REQUIREMENTS

1. **Start-up Period:** The CONTRACTOR shall have a contract start-up phase not to exceed 45 days before receiving and performing Level II evaluations. The start-up phase includes recruitment, hiring, and training of staff devoted to each task.
2. **Working Office:** The CONTRACTOR shall maintain one working office within the State of California to which DMH will be connected for telephone transmission of referrals and receipt of PASRR/MI Level II evaluations and recommendations.
3. **Business Hours:** The CONTRACTOR shall maintain a working office during normal business hours, which is deemed to be from 8:00 AM to 5:00 PM, Monday through Friday, except State holidays.
4. **Contact Person:** The CONTRACTOR shall designate and maintain at least one contact person at the established working office during business hours stated in C.3. above who has the authority to make and implement contract and program decisions.
5. **Record Security:** The CONTRACTOR shall ensure strict confidentiality of all resident information. (Reference: Welfare and Institutions Code Section 5328 et seq.) In this regard, the CONTRACTOR shall:
 - a. Maintain all hard copy Level II information under lock and key to which only authorized persons shall have access.
 - b. Provide and maintain all Management Information Systems' safeguards as required by the DMH.
 - c. Publish no information about the PASRR/MI process or the Level II evaluations without the prior, written approval of the DMH.
 - d. Ensure the PASRR/MI process or the Level II evaluation information is not used for purposes other than PASRR.

6. **Subcontracts:** The CONTRACTOR shall not, in connection with the performance of the contract, enter into subcontracts of \$10,000.00 or more without the review and prior approval of the DMH. Subcontracts of less than \$10,000.00 will not require prior approval from the DMH.
7. **Record Retrieval/Appeal Process:** The CONTRACTOR shall, on request, retrieve and deliver to the DMH specified portions of the resident's chart located at the NF as required for the Medicaid fair hearing and appeal process. The CONTRACTOR shall deliver such materials within 48 hours or as specified by the DMH.
8. **Automated Cost Accounting System:** The CONTRACTOR shall maintain an automated cost accounting/information system to collect and provide data on screening and operational costs (such as travel and workload variables) in a format to be provided by the DMH.
9. **Equipment:** The CONTRACTOR shall not purchase or lease office equipment costing \$5,000.00 or more without approval from the DMH. The CONTRACTOR will utilize State vendors based on availability. Purchases or leases of office equipment costing less than \$5,000.00 will not require the DMH approval.
10. **Meetings:** The CONTRACTOR shall have the Contract Manager, Medical Director, QA Directors, and Office Manager available for meetings with DMH throughout the duration of the contract. For budgeting purposes, plan on quarterly meetings, half to take place in Sacramento, and half to take place in the CONTRACTOR's working office. These meetings may, at the discretion of the DMH, be conducted via teleconferencing or videoconferencing.
11. **Evaluation of Program Operations:** The CONTRACTOR shall develop procedures to evaluate its program operations including fiscal management and overall program effectiveness and submit monthly and quarterly reports of program operations, QI activities and plans for correction, as specified by the DMH.
12. **Review/Monitor:** The DMH shall review and monitor the CONTRACTOR's performance of program administration requirements by, but not limited to, the following: a) review and approval of all staff resumes, b) onsite reviews, c) review of written administrative policies and procedures, d) telephone and face-to-face meetings, e) review of monthly reports and quarterly QI reports, f) attendance at QI meetings and evaluator training sessions, and g) review of evaluations and claims.
13. **Conflict of Interest:** The CONTRACTOR shall not consult, subcontract, own, work for, or in any manner benefit, financially or otherwise, from association with a NF or the NF industry during the period of this contract. (See also Section III, D.1.c. on page 24 regarding evaluator approval and

possible restrictions due to conflict of interest.) The CONTRACTOR shall be in compliance with State Administrative Manual Section 1250 and Public Contract Code Sections 10410 and 10411 regarding conflict of interest.

14. **Knowledge:** The CONTRACTOR shall have knowledge and understanding of OBRA 87, federal and State Medicaid/Medi-Cal regulations and procedures, psychiatric patients, SNFs, ICFs, STPs, and the public mental health system, including the county Mental Health Plans (MHP).
15. **Experience:** The CONTRACTOR shall have experience administering/managing a program that provides mental health services or performs psychiatric and physical health evaluations.

D. STAFFING REQUIREMENTS

1. Clinical Evaluators

- a. **Number of Evaluators:** The CONTRACTOR shall recruit, hire, train, maintain and monitor the performance of a sufficient number of California State licensed professionals throughout California's four geographic regions to perform the PASRR/MI Level II evaluations.

FY 2002-03 DATA

California Regions	Total # of Referrals	Percentage of Evaluations by Region
1 Northern	150	2%
2 Bay Area	1577	16%
3 Central	815	9%
4 Southern	7,034	73%
Total	9,576	100%

The table above is based on the number of referrals and percentages, by region, during the State FY 2002-03. California counties within each region and the number of referrals by county are displayed in Attachment III.1. We estimate that the number of referrals will be approximately 12,000 – 13,230 per year, depending on the admission rate and the NF Level I identification of persons who are seriously mentally ill for PASRR/ MI. These numbers are estimates provided for budget and personnel planning purposes only and are not meant to predict or promise specific numbers of referrals or evaluators to complete Level II referrals. The DMH is in no way obligated by these numbers, nor do these estimates change any of the CONTRACTOR requirements as stated in this IFB.

- b. **Evaluator Disciplines:** For all evaluators, desirable qualifications would include (1) experience with the public mental health system and services, Medi-Cal funded programs, and (2) a sympathetic and objective understanding of the problems of the mentally ill; tact, patience and the ability to handle stressful situations. Level II evaluations shall be performed by a combination of licensed clinicians:
1. A California licensed physician (1) either a board-certified psychiatrist, or (2) a physician who has completed at least three years of residency in an approved Accreditation Council for Graduate Medical Education psychiatric residency training program, or (3) a physician with at least two years of documented and related mental health experience, at least one year of which was within the past five (5) years. No less than fifty (50) percent of the Level II evaluations performed by physicians must be completed by a psychiatrist; and/or
 2. A California licensed clinical psychologist with at least two years of documented and related mental health experience, at least one year of which was within the past five (5) years; and/or
 3. A California licensed clinical social worker with at least two years of documented and related mental health experience, at least one year of which was within the past five (5) years; and/or
 4. A California licensed marriage and family therapist with at least two years of documented and related mental health experience, at least one year of which was within the past five (5) years.

The total pool of evaluators shall include representation from at least three disciplines. Evaluator selection and credentialing shall be based on an individual's clinical expertise, applied to the PASRR evaluation process. The DMH will review and approve the Interdisciplinary Team (IDT) composition of the evaluator pool.

Licensed clinical psychologists, licensed clinical social workers, and licensed marriage and family therapists are qualified to perform all aspects of the PASRR Level II evaluation, with the exception of performing the physical examination. The CONTRACTOR shall utilize licensed physicians who have been approved by the DMH, to perform the physical examination. However, information from the resident's record may be recorded on the Level II evaluation by any DMH-approved evaluator as long as a physician performed the physical examination within the past 90 days.

- c. **Approval of Evaluators:** Throughout the duration of the contract the CONTRACTOR shall submit current resumes, qualifications, credentials (verified), two letters of reference with contact telephone numbers, and other required documentation of all prospective evaluators to the DMH for approval prior to their performance of PASRR/MI Level II evaluations.

The CONTRACTOR will engage no evaluator in performing Level II evaluations, in whole or in part, who has not been properly oriented and trained, and who has not passed credentials review by the DMH.

If there exists a conflict of interest as a result of a professional or contractual relationship with any nursing facility or county mental health plan, the DMH reserves the right to withhold approval or, under conditions that guarantee no conflict of interest, specify the counties or regions in which the evaluators can perform evaluations.

Evaluator candidates shall be placed on probation; that is, required to perform at least three (3) Level II evaluations and have these reviewed and signed-off by the CONTRACTOR's Medical Director and a QA Director before the DMH makes a final decision concerning approval as a PASRR evaluator. For every new evaluator, the first three (3) evaluations are an extension of the orientation and training of PASRR evaluations. Extra time will be needed for QA Director and Medical Director review, discussion, and feedback. Therefore, evaluators shall receive between \$60.00 and \$80.00 additional reimbursement for each of the first three evaluations to cover the extra time needed for training and consultation. In some circumstances, an evaluator may remain on probation for an extended period with additional training and supervision until his/her performance meets the DMH standards. Reimbursement for additional training and travel required of an evaluator or clinical staff member as a result of substandard performance shall be the sole responsibility and at the discretion of the CONTRACTOR.

- d. **Discontinued Use of PASRR Evaluators:** In the event that an evaluator's performance falls below the DMH standards for any reason, the DMH may require that the CONTRACTOR discontinue the use of that individual for the purposes of this contract. Should this circumstance occur, the DMH shall inform the CONTRACTOR in writing of this decision. The CONTRACTOR shall cease to utilize the named evaluator to perform any PASRR functions from the time of the CONTRACTOR's receipt of this notification.

- e. **Evaluator Computer Skills:** The CONTRACTOR shall give preference, all other qualifications being equal, to evaluators with computer knowledge and skills. This will enable the CONTRACTOR to more readily allow for the computer entry of Level II evaluation data directly onto the PASRR/MI LEVEL II document by the evaluator, should this become feasible in the future.

2. Administrative Personnel

- a. **Core Administrative Staff:** The CONTRACTOR shall recruit, hire, train, maintain and oversee the following personnel: Contract Manager, Medical Director, QA Directors, Assistant Contract Manager, Office Manager, Lead Case Coordinator, Case Coordinators, and Computer Programmer.
- b. **DMH Approval:** The CONTRACTOR shall submit all current resumes detailing qualifications for all administrative and clinical personnel to the DMH for approval.
- c. **Minimum Qualifications/Duties:** The CONTRACTOR shall ensure that administrative personnel meet the minimum qualifications and duties for the (FTE) as follows:

1.0 FTE Contract Manager

Qualifications: The Contract Manager is directly responsible for the administrative oversight of the PASRR/MI evaluation project. The Contract Manager shall have a bachelor's degree and a minimum of 2 years experience working with contracts in a related health care field. Desirable experience would include computer knowledge and skills and knowledge of, or experience with, public mental health and Medi-Cal programs.

Duties of the Contract Manager Include:

- 1. Administers and manages the PASRR/MI program, acts as chief liaison to the DMH, and ensures overall contract compliance.
- 2. Responsible designated contact person at working office from 8:00 AM to 5:00 PM, Monday through Friday, having authority to make and implement contract and program decisions, per DMH direction.
- 3. Recruits and provides training to administrative office staff and field evaluators. Oversees the development, implementation and submission to the DMH of training programs developed for Level II field evaluators.
- 4. Oversees the preparation and timely submission of monthly and quarterly reports to the DMH.
- 5. Administers and monitors cost effective services and fiscal controls.

6. Attends quarterly, or as needed meetings, with the DMH throughout the duration of the contract.
7. Oversees assignment of individual evaluations to clinical field evaluators in collaboration with Medical and QA Directors. This function may be delegated to the Assistant Contract Manager or Office Manager.

1.0 FTE Medical Director

Qualifications: The Medical Director shall possess a current, unrestricted California license for the practice of medicine as determined by the California Board of Medical Quality Assurance or the Board of Osteopathic Examiners, and shall be a 1) Board Certified (B/C) psychiatrist or 2) a physician who shall have satisfactorily completed specialized training in psychiatry (at least four years of accredited post-graduate residency training, including a minimum of three years of training in psychiatry, in programs that are accredited by the Accreditation Council for Graduate Medical Education (ACGME) or by the Royal College of Physicians and Surgeons of Canada). In addition, the Medical Director/psychiatrist shall have maintained a high standard of personal and professional conduct. The Medical Director's resume shall document having performed clinical and administrative functions similar in range and complexity to those required in this IFB. Documented experience shall include: (a) having performed comprehensive psychiatric evaluations; (b) having taught, trained or clinically supervised others performing psychiatric evaluations within the past ten (10) years; and (c) knowledge of and/or experience with public mental health and Medi-Cal programs. Special Personal Characteristic: sympathetic and objective understanding of the problems of the mentally ill; tact, patience, and the ability to handle stressful situations.

Duties of the Medical Director include:

1. Shall work full time (defined as forty hours per week) in carrying out the duties of Medical Director.
2. Will conduct Level II evaluations only in the course of assisting with a temporary backlog of Level IIs. Any Level II evaluations conducted by the Medical Director to help alleviate a temporary backlog must receive prior approval from the DMH. During the time the Medical Director is conducting evaluations, the in-office time will not be claimed.
3. Shall be in the working office and available for consultation with the DMH between the hours of 8:00 AM and 5:00 PM, Monday through Friday.
4. Recruits, credentials and hires evaluator candidates. Submits evaluator candidates to the DMH for approval.

5. Trains evaluators in the completion of psychiatric medication, physical health history and examination sections of each Level II evaluation.
6. Certifies psychiatric medication, physical health history and examination sections of each Level II evaluation.
7. Attends quarterly, or as needed, meetings with the DMH throughout the duration of the contract.
8. Assists QA Directors in the development and implementation of an ongoing QI process for this contract; attends and participates in QI Committee meetings, reviews evaluations per the DMH-approved QI monitors.
9. Responsible for medical and psychiatric aspects of the Level II evaluations. Acts as the liaison between the DMH and the CONTRACTOR for medical and psychiatric aspects of the evaluation, including giving additional training needed to improve evaluator performance and/or monitor performance.

3.0 FTE QA Directors

Qualifications: The QA Directors shall possess either 1) a current, unrestricted California license as a clinical psychologist; or 2) a current, unrestricted California license as a clinical social worker. The QA Directors shall document experience that includes: (a) having performed psychiatric, psychological, or psychosocial assessments and evaluations; (b) having trained, taught, or clinically supervised others performing psychiatric, psychological, or psychosocial assessments and evaluations; and (c) knowledge of and/or experience with public mental health and Medi-Cal programs. Each of the QA Directors' resumes shall document having performed clinical and administrative functions similar in range and complexity to those required in this IFB within the past ten (10) years. Special Personal Characteristic: sympathetic and objective understanding of the problems of the mentally ill; tact, patience, and the ability to handle stressful situations.

Duties of the QA Directors include:

1. Shall work full time (defined as forty hours per week) in carrying out the duties of the QA Directors.
2. Will only conduct Level II evaluations in the course of assisting with a temporary backlog of Level IIs. Any Level II evaluations conducted by the QA Directors to help alleviate a temporary backlog must receive prior approval from the DMH. During the time the QA Directors are conducting evaluations, the in-office time will not be claimed.
3. Shall be in the working office and available for consultation with DMH between the hours of 8:00 AM and 5:00 PM, Monday through Friday.

4. Recruits, credentials, and hires evaluator candidates. Submits evaluator candidates to the DMH for approval.
5. Develops, implements and directs the QA program related to the performance of this contract.
6. Creates, establishes and chairs a QI committee that reports on all QI activities to the DMH and to the CONTRACTOR.
7. Overall certification of Level II evaluations, following certification of the medication, physical history and examination sections by the Medical Director.
8. Develops, implements and reports on an ongoing orientation/training process for evaluators performing PASRR/MI Level II evaluations, in conjunction with the Medical Director.
9. Trains evaluators in the overall completion of Level II evaluations. Evaluates the effectiveness of the training.
10. Attends quarterly, or as needed, meetings with the DMH throughout the duration of the contract.
11. Responsible for psychological, including Mini Mental Status Exam (MMSE), and placement alternative sections of the Level II evaluation. Acts as the liaison between the DMH and CONTRACTOR on psychological, clinical social work, and placement alternatives, including giving additional training needed to improve evaluator performance and/or monitor performance.

Note: The Medical Director and/or the QA Directors shall not alter or redefine the duties or responsibilities of these positions, as described herein, without the written permission of the DMH.

1.0 FTE Assistant Contract Manager

Qualifications: With the guidance of the Contract Manager, the Assistant Contract Manager will provide administrative oversight support of the PASRR/MI evaluation project. The Assistant Contract Manager shall have a bachelor's degree and a minimum of 1 year experience working with contracts in a related health care field. Desirable experience would include computer knowledge and skills and knowledge of, or experience with, public mental health and Medi-Cal programs.

Duties of the Assistant Contract Manager Include:

1. Responsible for providing administrative and management support for the PASRR/MI program. Acts as liaison to the DMH and ensures overall contract compliance, in the absence of the Contract Manager.
2. Shall be in the working office and available for consultation with the DMH between the hours of 8:00 AM and 5:00 PM, Monday through Friday.

3. Assists with recruiting and training of administrative office staff and field evaluators. Assists in the development, implementation and submission to the DMH of training programs developed for Level II field evaluators.
4. Prepares timely monthly and quarterly reports for the DMH.
5. Attends meetings with the DMH as needed.
6. Coordinates the clinical technical assistance needs of the Office Manager, Lead Case Coordinator, and Case Coordinators, with the QA and Medical Directors.

1.0 FTE Office Manager

Qualifications: The Office Manager shall possess an equivalent to graduation from college with any major, but preferably with specialization in public or business administration, accounting, economics, or a related health care field. The Office Manager shall assist the Contract Manager and Assistant Contract Manager in providing administrative oversight to the PASRR project. The Office Manager shall have a minimum of 2 years experience in administration and managing office operations. Desirable experience would include computer knowledge and skills.

Duties of the Office Manager include:

1. Administers and manages office operations, provides day-to-day operational support to ensure overall contractual compliance.
2. Ensures the accurate preparation of monthly operation and personnel invoices.
3. Verifies monthly screening invoices and returns to the DMH with signatures.
4. Provides day-to-day oversight supervision to the Lead Case Coordinator. Supervises Lead Case Coordinator to oversee contact with NFs by case coordinators, ensuring that resident status, language of communication of the resident, and other pertinent information related to scheduling the performance of the Level II evaluation, is gathered completely, accurately, and timely.
5. Ensures that any evaluations classed as "Attempts" are not possible to complete as evaluations.
6. Ensures that the Lead Case Coordinator and Case Coordinators do not make clinical decisions, but refer cases to the QA or Medical Directors for assistance with determinations involving clinical judgment, such as Attempts due to dementia.
7. Prepares reports and evaluations, and provides follow-up resulting from Level II evaluators' NF contact and the DMH requests.
8. Prepares monthly reports for the DMH, utilizing the DMH's software for billing and generating invoices.

9. Oversees a tracking system for Level II referrals for compliance with the DMH timeframes, and works with the Assistant Contract Manager to follow-up on late evaluations.
10. Attends quarterly, or as needed, meetings with the DMH throughout the duration of the contract.
11. Available for consultation with the DMH between the hours of 8:00 AM and 5:00 PM, Monday through Friday.
12. Supervises and ensures technical and clerical support to Contract Manager, Assistant Contract Manager, Medical Director, and QA Directors.

1.0 FTE Lead Case Coordinator

Qualifications: The Lead Case Coordinator shall have at least two years experience with personal computers, including key data entry, and general office experience performing such duties as answering phones and responding to inquiries. At least one year of the above experience should be similar in duties and scope to the case coordinator positions listed below.

With the guidance of the Office Manager, the Lead Case Coordinator will oversee contact with NFs by case coordinators, ensuring that resident status, language of communication of the resident, and other pertinent information related to scheduling the performance of the Level II evaluation, is gathered completely, accurately, and timely. The Lead Case Coordinator will also receive clinical information from the field evaluators, enter the information into the DMH's remote online system via the Internet, and assist other case coordinators to do the same.

Duties of the Lead Case Coordinator include:

1. Assists the Office Manager and oversees the daily download of Level II referrals from the DMH. Advise case coordinators, and contact the NFs to verify resident status, medical records, and communication needs when necessary.
2. Ensures accurate and timely data entry of resident data information from the PASRR/MI LEVEL II by the case coordinators. Also responsible for verification of data entry prior to submission to the DMH.
3. Responsible for training and orientation of new case coordinators.
4. With guidance from the Office Manager, maintains a tracking system for Level II referrals for compliance with the DMH timeframes ensuring: PAS Level II evaluations are completed and transmitted to the DMH within seven calendar days excluding holidays, RR Level II evaluations are completed and transmitted to the DMH within ten calendar days excluding holidays, and ER Level II evaluations are completed and a hard copy of the Level II evaluation is faxed to the DMH within 24

hours and the Level II data is transmitted to the DMH within three calendar days excluding holidays.

5. Assists in preparing reports on Level II data for the CONTRACTOR and the DMH. Provides technical and clerical support to the QA Directors, Contract Manager, Assistant Contract Manager, and Medical Director.

5.0 FTE Case Coordinator/Data Entry

Qualifications: The Case Coordinator/Data Entry personnel shall have at least one year of experience performing general office duties such as answering phones, responding to inquiries and using various computer software. In addition, these personnel shall have at least one year of experience with personal computers, key data entry and various software programs.

The Case Coordinator will be responsible for receiving the Level II information from the sub-contract clinical field evaluator, contacting the NF to verify residency and the language of communication for the resident. Case Coordinators also track case assignments and enter the information into the DMH's remote online system via the Internet.

Duties of the Case Coordinators include:

1. Download daily Level II referrals from the DMH. Contacts the NFs to verify resident status, medical records, and communication needs.
2. Data entry of resident information from the PASRR/MI LEVEL II Evaluation Document.
3. Key data entry of Level II referrals timely for compliance with the DMH timeframes ensuring: PAS Level II evaluations are completed and transmitted to the DMH within seven calendar days excluding holidays, RR Level II evaluations are completed and transmitted to the DMH within ten calendar days excluding holidays, and ER Level II evaluations are completed and a hard copy of the Level II evaluation is faxed to the DMH within 24 hours and the Level II data is transmitted to the DMH within three calendar days excluding holidays.
4. Assists in preparing reports on Level II data for the CONTRACTOR and the DMH. Provides technical and clerical support to the QA Directors, Contract Manager, and Medical Director.
5. Request clinical technical assistance when determining the necessity of and the classification of an "Attempt"

0.5 FTE Programmer

Qualifications: The Programmer shall possess an equivalent to graduation from college with a minimum of 24 semester or 36 quarter units in management information systems or computer science courses. The programmer shall have at least one year of experience performing duties similar in range and complexity to those required by this IFB. The programmer's primary role shall be to provide the programming and technical support necessary to develop and maintain the CONTRACTOR's internal management information system; periodically upgrade the management information system to meet business requirements; and interface with the DMH's Information Technology staff.

Duties of the Programmer include:

1. Provides technical support and oversight for the software for the PASRR/MI program within the Windows environment.
2. Develops programs to track the Level II evaluations, generate reports for the DMH and other related PASRR activities.
3. Works with the DMH's Information Technology staff to request or receive and implement program enhancements.
5. Develops other computer program activities as required by the Contract Manager and the DMH.
6. Creates and provides forms, programs, or databases to enable complete, accurate and efficient reporting, as required by the DMH.

E. STAFF TRAINING

1. **Orientation:** The CONTRACTOR shall meet or exceed the evaluator and clinical staff orientation and training requirements as described in this IFB. All clinical staff and evaluators shall participate in an orientation program of no less than five (5) hours which shall, at the very least, cover:
 - a. The purposes and goals of OBRA-87, relevant statistics regarding the PASRR/MI program in California, and an overview of the Level I and Level II evaluation process.
 - b. A detailed review of the CONTRACTOR's Operations Manual, and relevant policies and procedures for the proper completion of the Level II evaluation and the PASRR/MI LEVEL II Evaluation Document.
 - c. Case reviews of previously completed Level II evaluations demonstrating proper evaluation techniques, illustrative clinical patterns, and common evaluator errors.
 - d. Instructions regarding how to find information in the medical record, and other aspects of dealing effectively with NFs as a PASRR/MI evaluator.

- e. The Medical and QA Directors shall participate in this orientation/training with the DMH clinical staff, as available. The CONTRACTOR's QA and Medical Directors shall then be responsible for orienting and training the evaluators.

(This orientation training is in addition to the required training for the new Level II.)

2. **DMH Review and Approval:** The DMH retains the right to participate directly in evaluator training as the Department deems necessary. The DMH shall review and approve the CONTRACTOR's proposed training agenda, curriculum, and the content of any written material prior to evaluator training.
3. **Performance Assessment of New Evaluators:** Following the initial orientation/training, evaluators shall be assigned three (3) Level II evaluations to complete. Following review and certification by the CONTRACTOR's QA and Medical Directors, these evaluations shall be reviewed by the DMH clinicians. The CONTRACTOR shall be required to provide additional training to those evaluators whose performance is below "standard" before utilizing them to perform additional Level II evaluations. The DMH approval for independent status will be given when evaluators meet the DMH clinical standards for evaluations.
4. **Training Expenses:** The CONTRACTOR shall compensate all evaluators and clinical staff for their travel expenses incurred to participate in the initial orientation/training and any other training required of all clinical staff. For every new evaluator, the first three evaluations are an extension of the orientation and training of PASRR evaluations. Extra time will be needed for QA and Medical Directors review, discussion and feedback. Therefore, evaluators shall receive between \$60.00 and \$80.00 additional reimbursement for each of the first three evaluations to cover the extra time needed for training and consultation. Reimbursement for additional training and travel required of an evaluator or clinical staff member as a result of substandard performance shall be the sole responsibility and at the discretion of the CONTRACTOR.
5. **Evaluation of Training Effectiveness:** The CONTRACTOR shall monitor and evaluate its training activities in order to assess effectiveness and to identify opportunities to improve these activities, as part of the overall QI process. All evaluation results, opportunities for improvement and resulting changes are expected to be included as part of the CONTRACTOR's Quarterly Reports submitted to the DMH.

F. MANAGEMENT INFORMATION SYSTEMS (MIS) REQUIREMENTS

- 1. Function:** The CONTRACTOR shall perform the following MIS functions:
 - a. Work within the MIS, Windows environment, or as specified by the DMH.
 - b. Maintain the data processing equipment provided by the DMH.
 - c. Maintain a working relationship with the DMH Information Technology staff regarding hardware management and the process of entering, verifying, and submitting Level II data.
- 2. Programming Support:** The CONTRACTOR shall provide computer programming support necessary to produce internal management reports, which track and monitor all Level II referrals from the time they are received to the time a completed document is transmitted to the DMH. Data and programs used for these reports will be kept in a separate and secure directory.
- 3. Internal Data Processing:** The CONTRACTOR shall maintain an internal data processing system that meets the following requirements:
 - a. Provide adequate storage and operating memory to operate efficiently and communicate with the DMH over the internet.
 - b. Store and retrieve all information relative to all completed PASRR/MI Level II evaluations.
 - c. Ensure that all resident data is secure and confidential and meets HIPAA standards as developed by the DMH.

The DMH has developed Internet-accessible software for this project to: a) ensure the security of the DMH software system, b) ensure integrity and back up of the PASRR/MI data, and c) enter, change, and verify data at sites remote from the DMH headquarters. The necessary computer hardware and software to meet the DMH specifications and requirements will be provided by the DMH.

The DMH's current hardware specifications include an IBM, Dell or another 100 percent IBM compatible PC, Pentium 4/1.8GHz or higher personal computer with a 60 GIG or larger hard drive, a minimum of 256 MB RAM, a compatible printer, and an internet connection. The current software specifications include Windows 2000, Office 2000, WinZip, Internet Explorer and Norton Anti Virus.

Data transfer will be direct, through a secure Internet Web site. PASRR/MI Level I/II data shall be available for download by the CONTRACTOR during designated transmission periods. Data transfer shall be performed via the Internet using the Secure Socket Layer or other DMH specified and approved encryption standard.

G. QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT

- 1. QI Process:** The CONTRACTOR shall, during the first quarter of the contract, establish a QI Committee to develop and implement a formal process which systematically monitors program performance in relation to explicit standards (including those described in “Performance Standards and Measures,” Section III, H), takes corrective action, reevaluates and prepares summary reports and committee minutes to be reviewed by the DMH. The QI process shall be documented and updated at least annually in a written QI Evaluation, Program Description and Workplan to be submitted to the DMH by the end of the first quarter of the contract. The Workplan shall include an orientation and training section outlining the content and implementation schedule of all evaluator training activities proposed for the current year. **The CONTRACTOR’s QA and Medical Directors have overall responsibility for the ongoing QI and clinical training process.**
- 2. QI Committee Composition, Meeting Frequency and Functions:**
 - a. Composed of: the Medical Director, Contract Manager and at least one evaluator from each of the four geographic regions described in Attachment III.1.
 - b. Chaired by a QA Director.
 - c. Meets at least monthly, or more often as needed.
 - d. Monitors timeliness, quality and data integrity of Level II evaluations, including “Certifier-Evaluator data concurrence”.
 - e. Monitors timeliness, quality and consistency of Level II certifications.
 - f. Reviews findings from the DMH reports on complaints related to CONTRACTOR's Level II performance in NFs. Monitors the DMH directed Plans of Correction for implementation and training of evaluators.
 - g. Develops, implements and monitors corrective action plans in response to ongoing reviews or specific requests from the DMH.
 - h. Reviews/approves written reports of findings, corrective actions and results submitted to the DMH on a monthly and quarterly basis submitted in a format to be specified by the DMH. (Quarterly reports shall include trended data described below in “Performance Standards and Measures,” Section III, H)
- 3. QI Committee Minutes:** The QI Committee reports its activities to the DMH through submission of signed and dated minutes. The QI Committee is expected to operate under a model of “continuous quality improvement”, and all minutes shall document the Committee’s monitoring of the results of prior corrective actions and outcomes of ongoing QI initiatives. Minutes should meet acceptable standards of confidentiality, are due within two (2) weeks of each meeting date, with copies distributed to all Committee members. Copies of finalized minutes shall be sent to all of the CONTRACTOR’s evaluators, and are expected to be submitted as part of the CONTRACTOR’s monthly reports to the DMH (QI Reports, Section III, G.4, on page 36).

4. **QI Reports:** The CONTRACTOR shall submit reports and trended data analyses on a quarterly and/or as needed basis, as specified by the DMH. These reports shall include but not be limited to:
- a. Progress toward meeting identified performance standards and measures.
 - b. Current list of PASRR/MI evaluators on contract by geographic region and discipline.
 - c. Description of all recruitment and hiring efforts, and the results of such efforts for each geographic region with insufficient evaluator coverage or other related performance problem.
 - d. Updates on orientation and training activities and results from evaluations completed by training participants.
 - e. Number of hours worked by CONTRACTOR staff and explanation of any significant changes or use of overtime.
 - f. Corrective follow-up measures to improve the quality of evaluator assessments, with special emphasis on those evaluators or CONTRACTOR staff whose performance is not meeting the DMH program requirements.
 - g. Inter-Rater Reliability Measures, as approved by the DMH.
 - h. On-site Audit Reports, as described in Section III, H.2, on page 37.
5. **Monthly Reports:** The CONTRACTOR shall submit reports on a monthly and/or as needed basis, as specified by the DMH. These reports shall include but not be limited to:
- a. Timeliness Performance including number of evaluations and timeliness rate.
 - b. Staffing Performance including number of evaluators and hours of administrative, Medical and QA Directors.
 - c. Suspend and Attempt Analysis including reason and number of cases.
 - d. Evaluator Training should include information on meeting basic training requirements per the DMH.
 - e. Interpreter Statistics including evaluator, facility, and language used for each evaluation needing an interpreter.
 - f. Evaluators by geographic region and discipline should include all current evaluators being used by the CONTRACTOR.
 - g. Minutes of QI Committee Meetings
 - h. Other activities as required by the DMH.

H. PERFORMANCE STANDARDS AND MEASURES

The CONTRACTOR'S performance related to the contract shall be measured by the DMH for administrative and program compliance, reflected in part by timely, current, accurate and comprehensive Level II evaluations statewide. Detailed performance standards specified in this section shall become a part of the contract.

CLINICAL QUALITY STANDARDS

1. Level II Clinical Quality Standards:

The CONTRACTOR shall ensure all evaluators submit Level II evaluations that are complete, accurate, clinically consistent and meet the standards described in Section III, B.1-7, PASRR Level II Process, above, and the following:

- a. Diagnosis is complete and consistent with history and current symptomatology.
- b. Level of care recommendations consider the least restrictive environment that is clinically appropriate and compatible with current medical/nursing and psychiatric needs, behavior and level of function.
- c. Treatment recommendations consistent with diagnosis, cognitive abilities and clinical symptoms.
- d. Evaluator comments explain clinical inconsistencies or unusual circumstances requiring special consideration.
- e. Evaluations meet all applicable laws of ethics and confidentiality.

2. On-Site Consistency Chart Audits:

As an added method for ensuring that the credentialed clinical evaluators submit complete and accurate Level II evaluations, the CONTRACTOR shall develop a record review on-site audit process to compare the specific information reported on the completed and certified Level II evaluation with corresponding information found in the individual's records at the nursing facility. This 'consistency audit' shall include an objective sampling procedure for identifying the specific evaluations subject to audit, a method for comparing the evaluation to the chart, other records available on-site, and interaction with the individual, as well as a standardized scoring method to reveal the strengths and weaknesses of each evaluator included in the audit. Prior to implementing the audit, the CONTRACTOR is required to submit, for review and approval by the DMH PASRR Section, the sampling method, key focus items, method for comparison, and proposed audit schedule. Key content areas subject to audit shall include, but not be limited to:

- a. The individual's presentation, including reasons for admission and any wish for community placement;
- b. The five-axis DSM-IV TR diagnosis, especially when any history of brain injury, dementia, substance abuse or dependence is present in records or suspected;
- c. Physical examination findings, any medications prescribed due to mental illness, and active medical conditions, especially if treatment is time-limited;
- d. Skilled nursing procedures needed and provided;

- e. The specific levels of assistance the individual needs for bathing, dressing, grooming, eating and toilet use;
- f. Legal status, confirming the presence of documents establishing a court-appointed conservator pursuant to the Lanterman-Petris-Short (LPS) Act, and noting the name, address and phone of the individual appointed;
- g. Recommended level of care (LOC) and reasons for it;
- h. Recommended treatment services, including goals and behaviors targeted, especially when the behavior might prevent community placement;
- i. Overall conclusion about whether the individual's needs are being met in the current setting.

3. Training and Compensation of Evaluators:

The CONTRACTOR shall ensure the quality and timeliness of all Level II evaluations, by the following:

- a. Providing evaluators a thorough orientation to the purposes of the PASRR process as described in this IFB, the contract, and the Contractor's Manual.
- b. Providing ongoing training to perform the PASRR/MI Level II evaluation and to complete the PASRR/MI LEVEL II document consistently and accurately.
- c. Providing prompt corrective action as needed.
- d. Providing incentives, which adequately reimburse evaluators for their time, travel and the quality of their performance.
- e. Communicating additional DMH information or instruction, as requested by the DMH.

- 4. Evaluator and Certifier Performance Profiles:** The CONTRACTOR shall systematically monitor and report on evaluator performance and certifier consistency to the DMH on at least a quarterly basis. The DMH shall provide the CONTRACTOR a format for monitoring and reporting evaluator performance and certifier consistency. Timeliness and quality of Level II assessment data shall be reported for each evaluator, as well as summary performance across all evaluators.

LEVEL II CERTIFICATION STANDARDS

5. Level II Clinical Certification:

The three-tier certification process is designed to ensure review of each evaluation by three different clinicians:

- a. The CONTRACTOR shall ensure each evaluator completes item #90 and item #91 of the PASRR/MI Level II Evaluation Document, noting evaluation start time, end time, name, clinical licensure, and date of completion.

- b. The CONTRACTOR shall ensure that the Physical History and Examination Certification (Item #92) for each Level II evaluation is reviewed and signed off by the Medical Director or other delegated, DMH-approved physician in the absence of the Medical Director.
- c. The CONTRACTOR shall ensure that the PASRR Overall Certification (Item # 93) is reviewed and signed off by a QA Director, noting clinical licensure and date certified. If necessary for completeness and accuracy, additional information shall be gathered, and the evaluation shall be modified by either the QA or Medical Director certifying the Level II, prior to forwarding to the DMH.

Should any of the QA Directors or the Medical Director perform a Level II evaluation, that clinician shall not certify his/her own work, nor shall the time spent doing evaluations be counted or claimed as hours fulfilling the full time in-office Director requirements.

- 6. **Level II Certification Concurrence:** The CONTRACTOR shall systematically monitor and report the certifying clinician's concurrence with all aspects of the Level II evaluation. This shall include concurrence with:
 - a. DSM IV TR multiaxial diagnosis – with emphasis on Axis I and Axis III;
 - b. Mental status examination;
 - c. Physical history;
 - d. Physical examination;
 - e. Accuracy of the clinical findings and their interpretation;
 - f. Clinical findings that reflect the current functional level of the resident;
 - g. Treatment recommendations are consistent with other Level II findings and meet the explicit standards reviewed in evaluator training sessions;
 - h. Level of care recommendations are consistent with Level II data, findings, and the least restrictive environment in which the individual could receive necessary services, and
 - i. Comments (Item #85) are complete and meet the explicit standards reviewed in evaluator training sessions.
- 7. **Consultation and Revision of Level II Data:** The CONTRACTOR, in addition to the above, shall ensure that the certifying clinicians consult with the evaluator and/or the NF to clarify or revise the Level II evaluation, as needed, before the evaluation is signed off as certified, complete, and computer-entered for transmission to the DMH.

Should the DMH determine that a completed Level II evaluation lacks information or presents conflicting information, such as above, needed to make a final PASRR determination, the DMH will place the evaluation on “hold” status, and will inform the CONTRACTOR of the contradictory or missing data. The CONTRACTOR will have three (3) working days in addition to the 7 days for a PAS or 10 days for an RR to provide the revised and/or needed information. If all requested information is not received within these time frames, the DMH will reduce the payment until all required missing data are provided, and all information is accurate, current, and clinically consistent as described above. At that time, the DMH will remove the “hold” status.

KEY PERFORMANCE MEASURES

- 8. Service and Clinical Quality Measures:** The following measures will be monitored, trended over time and reviewed by THE CONTRACTOR's QA Directors, QI Committee and the DMH staff. Measures remaining out of compliance for two (2) reporting periods require a Plan of Correction, which shall be reviewed and approved by the DMH.

SERVICE QUALITY / ACCESS MEASURES	GOAL/THRESHOLD
Complete, certify & transmit to the DMH PAS within 7 calendar days of referral.	≥ 90%
Complete, certify & transmit to the DMH RR within 10 calendar days of referral.	≥ 90%
Complete, certify & fax hard copy of ER to the DMH within 24 hours of referral.	100%
Transmit electronic record of completed/certified ER to the DMH within 3 calendar days of referral.	100%
Complete, certify & fax hard copy to the DMH within 24 hours any review recommending acute psychiatric treatment.	100%
Transmit electronic record to the DMH of completed/certified review recommending acute psychiatric treatment within 3 calendar days of recommendation.	100%
Certify and transmit to the DMH Level II results within 1 calendar day of submission by evaluator.	≥ 90%
Maintain credentialed, trained, and active evaluators in all four geographic regions to ensure quality, timely evaluations.	≥ 95%
Maintain required number of work hours by administrative staff.	≥ 95%
Ensure service quality of evaluators.	≥ 90%

CLINICAL QUALITY MEASURES	GOAL/THRESHOLD
Level II Evaluation is complete, as assessed by the DMH record audit.	≥ 90% compliance score
DSM Diagnosis is complete including Axis I, Axis II, and Axis III consistent with current clinical symptoms and medical/psychiatric history.	≥ 90% consistency rate
Comments in Additional Information/Clarification of Clinical Inconsistencies/Differential Diagnosis (item 85): a) are relevant to current clinical symptoms, diagnosis and treatment recommendations; b) not redundant with clinical data already presented; c) explain any apparent inconsistency in the Level II record; d) contain reason for admission to NF, differential diagnosis, rationale for treatment and level of care recommended.	≥ 90% compliance score
Treatment Recommendations (item 88) are consistent with diagnosis, severity of symptoms and current level of functioning.	≥ 90% consistency rate
Level of Care/Placement Recommendation (item 88) is consistent with diagnosis, severity of symptoms, psychosocial assessment, current functioning, in the least restrictive environment.	≥ 90% consistency rate
The CONTRACTOR shall engage no evaluator who has not been trained, and who has not passed credential and initial evaluation review by the DMH.	100% compliance
The CONTRACTOR shall provide reliable and consistent Level II evaluations, as measured by Inter-Certifier agreement. *	≥ 90% data concurrence

* see Section III, H.6, on page 39, "Level II Certification Concurrence", for items used in calculating data concurrence score.

DMH REVIEW OF CONTRACTOR PERFORMANCE

9. The Contractor Performance Content Areas Reviewed By The DMH:

The DMH shall review and monitor the CONTRACTOR's compliance to program requirements through but not limited to:

- a. Review and approval of all staff and evaluators.
- b. Ongoing review of competency and retention of evaluators.
- c. Recruitment and maintenance of the required numbers for and distribution of evaluators and administrative personnel to meet contract requirements.
- d. Review of the CONTRACTOR monthly reports and quarterly QI reports and Key Performance Measures.
- e. Onsite reviews of the CONTRACTOR procedures and operations.
- f. Review of the CONTRACTOR's written policies and procedures.
- g. Periodic audits of Level II evaluations and certifications for quality and consistency.
- h. Telephone and face-to-face meetings with the CONTRACTOR.

10. Review Schedule: The DMH will review and evaluate the CONTRACTOR's performance on at least an annual basis to determine compliance with the performance standards identified above.

11. Failure to Meet Performance Standards: Failure by the CONTRACTOR to meet the DMH performance standards will result in appropriate corrective actions and/or cancellation of the contract.

SECTION IV

BID AND BUDGET FORMAT

This project is funded from Federal Financial Participation funds (75 percent) and State General Funds (25 percent).

The maximum term of this contract is July 1, 2004 to June 30, 2007. However, the contract will not commence until final approval is received by the California Department of General Services. This contract is for FYs 2004-05, 2005-06, and 2006-07: however, regardless of the actual start date, this contract terminates on June 30, 2007.

A new Level II evaluation has been developed. Should delays occur in Budget Act approval or Information Technology implementation, the old Level II (Attachment III.5) will be used until the New Level II (Attachment III.6) is implemented. If the old Level II is used, the rates that will apply are:

PASRR LEVEL II EVALUATION COSTS (if old Level II is used)

1. **Complete** Evaluations including travel at the rate of \$208 per evaluation.
2. **Partial** Evaluations including travel at the rate of \$185 per evaluation.
3. **Suspend** Evaluations including travel at the rate of \$102 per evaluation.
4. **Attempt** Evaluations at the rate of \$31 per evaluation. (Travel excluded.)
5. **Premium** Evaluations shall be reimbursed an additional \$75 per evaluation for remote geographic areas. One premium per eight evaluations at the same facility.

The DMH requests that each bidder submit their lowest bid for each of the items listed:

1. Bid Form, a total bid for the 3 years of the contract (Attachment IV.1).
2. Budget Format, Personnel and Operation Costs Budget, and Bid/Bidder Certification Sheet (Attachments IV.2-4).

An all-inclusive bid for the contract is divided into four separate parts:

- a. PASRR/MI Negotiated Evaluation Costs
- b. Personnel and Operational Costs
- c. Required Training (New Level II)
- d. Management Information System Costs

A. PASRR/MI NEGOTIATED EVALUATIONS COSTS

The DMH is prepared to reimburse the CONTRACTOR for PASRR/MI Level II evaluations, as outlined below. Reimbursement ranges are based on more than ten years of analysis and experience with the PASRR evaluation process.

To ensure the hiring and retention of an adequate number of competent evaluators to meet contract requirements, the CONTRACTOR shall provide reimbursement for the completion of Level II evaluations which is:

- Competitive with community standards and rates, and
- Which takes into consideration any special circumstances; such as the geographic location, the time constraints, or other factors, such as translation, involved in completing any particular evaluation.

1. **Complete:** Complete PASRR Level II evaluations (completion of all elements of the PASRR/MI LEVEL II document) including travel. Complete evaluations are those that require a physical examination. These evaluations shall be reimbursed to the CONTRACTOR at the rate of not less than \$340.00 and not to exceed \$390.00 per evaluation.
2. **Partial:** Partial PASRR Level II evaluations are evaluations where physical examinations are not required because one has been performed within the 90 days prior to the Level II evaluation. Partial evaluations shall be reimbursed to the CONTRACTOR at the rate of not less than \$300.00 and not to exceed \$350.00 per evaluation (travel included).
3. **Suspend:** Suspend PASRR Level II evaluations are evaluations that have been scheduled and the evaluator has traveled to the facility to perform the assessment, but which could not be completed for any of a number of reasons; such as, the resident refused to cooperate, the resident is on a home visit, the resident is mute, delirious, severely demented or otherwise unable to participate in the evaluation.

Suspended Level II evaluations will only be reimbursed if the CONTRACTOR transmits the referral back to the DMH within seven (7) calendar days (excluding holidays) for a PAS and within ten (10) calendar days (excluding holidays) for an RR, with the required fields completed on the PASRR/MI LEVEL II. Such suspended evaluations are reimbursed to the CONTRACTOR at the rate of not less than \$150.00 and not to exceed \$175.00 per evaluation (travel included).

4. **Attempt:** Attempted PASRR Level II referrals are referrals made to the CONTRACTOR wherein the CONTRACTOR, following a telephone contact with the facility to ascertain the resident's current residence in the facility and his/her ability to participate in the evaluation, determines that the resident no longer resides in that facility.

Attempted Level II evaluations will only be reimbursed if the CONTRACTOR transmits the referral back to the DMH within seven (7) calendar days (excluding holidays) for a PAS and within ten (10) calendar days (excluding holidays) for an RR, with the required fields completed on the PASRR/MI LEVEL II. Such attempted referrals are reimbursed to the CONTRACTOR at the rate of not less than \$27.00 and not to exceed \$47.00 per evaluation.

5. **Premium/ER Evaluation Cost:** The DMH designated areas within the state wherein the CONTRACTOR shall be reimbursed an additional amount because of remoteness, difficulty in access and scarcity of evaluators (see Attachment III.2).

Emergency reviews are reimbursed as premium evaluations because of the timeframe requirements.

The CONTRACTOR shall utilize the premium rate to serve as an incentive for evaluators to perform Level II evaluations in remote areas, areas difficult to access, in parts of the state where there are a scarcity of evaluators or for a single evaluation in an isolated or distant location.

When premium counties are visited for multiple evaluations, the premium rate can be charged at one premium per eight evaluations performed at the same facility on the same day. The premium evaluation cost may be reimbursed at the rate of not less than \$60.00 and not to exceed \$80.00 per evaluation, which is in addition to the negotiated rate for each Complete, Partial, or Suspended Level II evaluation.

6. **Reimbursement for Completed Level II Evaluations:** A PASRR/MI Level II, Complete, Partial or Suspend is considered for reimbursement if:

- a. The Level II evaluation has been assigned a DMH ID number and referred by the DMH.
- b. All required Level II evaluation data has been recorded on the PASRR/MI LEVEL II and certified by the appropriate State licensed clinical professional(s).
- c. The evaluator records the completion of the PASRR Level II evaluation on DHS 6170 or DMH 1773, in the resident's chart at the facility visited.
- d. The Level II evaluation has been key entered, verified and electronically transmitted to the DMH.
- e. The Level II evaluation meets the quality program service requirements and standards as stipulated in the contract.
- f. The Level II evaluation is reviewed by the DMH and found to be complete, accurate, clinically consistent and meets the standards in Section III, B. 1-7, PASRR Level II Process, and the following:
 - i) All required items of the PASRR/MI LEVEL II are completed.
 - ii) The diagnosis is consistent with the resident's history and current symptomatology.
 - iii) The level of care is compatible with the resident's medical/nursing needs, psychiatric needs, behavior and level of function.
 - iv) The treatment recommendations are consistent with the diagnosis, cognitive abilities and clinical symptoms.
 - v) The evaluator's comments explain any clinical inconsistencies or unusual circumstances that require special consideration.

Reimbursement will be withheld for Level II evaluations until all required missing data are provided and information is accurate, current and clinically consistent as described above.

B. PENALTIES

1. **Fee Reduction:** Failure to meet the turnaround times for a PAS, an RR or an ER will result in a fee reduction. The fee will be reduced at the rate of one percent (1%) of the negotiated cost (including complete, partial, and premium evaluation costs) for each day beyond the specified turnaround time, and will be applied at the time of the monthly reimbursement.
2. **Fiscal Penalties:** Should the DMH determine that a completed Level II evaluation does not meet the criteria noted above, the DMH will inform the CONTRACTOR of the contradictory or missing data, and the evaluation will be placed on "HOLD". Reimbursement for a Level II evaluation placed on "HOLD" will be withheld until the "HOLD" status is released.

The CONTRACTOR will have three (3) working days in addition to the 7 day PAS or 10 day RR timeframes, without penalty, to provide the requested information. Should the information not be made available within these timeframes, the CONTRACTOR shall incur a penalty of one percent (1%) per day until the information is provided, at which time the DMH clinician can make a disposition and release the "HOLD".

C. PERSONNEL AND OPERATION COSTS

Detailed Budget: The CONTRACTOR is required to submit a detailed budget corresponding to Attachments IV.1 - 4. The detailed budget must include:

1. Personnel Services

- a. Personnel: List staff (exclude evaluators), full-time, part-time, job title/classification, and wages,
- b. Benefits: Workmen's compensation and benefits.

2. Operating Expenses

- a. Travel:
 - i) Four (4) round trips during the year for the Contract Manager, Medical Director, QA Directors, and Office Manager to and from Sacramento, or to and from the video-conference site,
 - ii) Chart retrieval for the Medicaid fair hearing process,
 - iii) Other business related travel within California; i.e., training, QI activities, etc. (exclude travel related to performance of Level II evaluations). Reimbursement for travel shall be in accordance with Department of Personnel Administration rules and regulations and will require submission of receipts.

- b. Required Staff and Evaluator Training. There will be two 6-hour training sessions based on the new Level II evaluation document. One training session will address revised manual descriptions of community alternatives to NF placement. The other training session will address implementation of the revised Level II and PASRR/MI contractor's manual. The Contract Manager, Assistant Contract Manager, Medical Director, QA Directors, Office Manager, and field evaluators are required to attend and will be reimbursed. **(Expenses for required training are included in the pre-established amount of \$34,000. This amount is identified below under required training costs. Do not include these costs under operating expenses.)**
- c. Evaluator Training. Evaluators shall receive between \$60.00 and \$80.00 additional reimbursement for each of the first three evaluations to cover the extra time needed for training and consultation. Reimbursement for additional training and travel required of an evaluator or clinical staff member as a result of extended probation or substandard performance shall be the sole responsibility and at the discretion of the CONTRACTOR.
- d. MIS: Maintenance and service costs for MIS equipment must be included in the calculation of operating expenses. **(Expenses to establish, replace or enhance the MIS are included in the pre-established amount of \$40,000. This amount is identified below under MIS costs. Do not include these costs under operating expenses.)**

The subtotal for personnel and operating expenses must be included on the Budget Format (Attachment IV.2) and must not exceed \$1,200,000.

D. MANAGEMENT INFORMATION SYSTEM (MIS) COSTS

The DMH has allocated a total of \$40,000 for initial, replacement, and enhancement costs associated with MIS. All MIS equipment will be procured by the CONTRACTOR purchase agreements. The maintenance of the MIS equipment is the responsibility of the CONTRACTOR. The CONTRACTOR will only be reimbursed for the DMH approved expenditures. The above amount is automatically factored into the bid price.

E. REIMBURSEMENT

The CONTRACTOR will submit the following monthly in arrears:

1. **Negotiated Evaluations:** An itemized invoice for negotiated evaluation costs using the DMH software in accordance with the contract.
2. **Personnel and Operating Costs:** An itemized invoice for personnel and operating costs. Monthly reimbursements shall be based on actual expenditures substantiated with receipts in accordance with the contract.
3. **Required Training Costs (New Level II):** An itemized invoice for required training costs. Monthly reimbursement shall be based on actual expenditures substantiated with attendance records for individual clinical evaluators, Contract Manager, QA and Medical Directors, Assistant Contract Manager, and Office Manager.
4. **MIS Costs:** An itemized invoice for MIS costs based on authorized DMH expenditures and in accordance with the contract. Reimbursements shall be based on actual expenditures substantiated with receipts in accordance with the contract.
5. **Travel Expenses:** Submit receipts for travel (excluding evaluation costs). Reimbursements shall be made according to the State Administrative Manual (SAM) substantiated with receipts. All out-of-state travel will be at the expense of the CONTRACTOR, not the DMH.

Reimbursement for negotiated evaluations, personnel and operating expenses, required training (New Level II) and MIS expenses will be made to the CONTRACTOR only and not to the CONTRACTOR's financial lender or bank.